



# The Florida Senate

*Interim Project Summary 2000-63*

*September 1999*

Committee on Natural Resources

Senator Charlie Bronson, Chairman

## REVIEW OF LICENSE FEES AND EXEMPTIONS AUTHORIZED IN CHAPTER 372, F.S.

### SUMMARY

During the 1999 legislative session, the Legislature enacted ch. 99-353, L.O.F., relating to environmental protection. Included in that act was a provision that the hunting and fishing licenses and permits established under ch. 372, F.S., and the exemptions thereto, shall be reviewed by the Legislature during its regular session every 5 years beginning in 2000.

Over the years, the Commission has had to rely on substantial subsidies from the state's General Revenue Fund in order to meet its operating expenses. The percentage of subsidies from the General Revenue Fund has fluctuated between 30 percent to almost 50 percent during the last decade. While the percentage may fluctuate, the actual dollars received from the General Revenue Fund continues to rise.

Over the past 9 years, the Commission has repeatedly faced shortfalls in the State Game Trust Fund. Recent information received from the agency indicates that the Commission may be facing a revenue shortfall of \$1.8 million in the State Game Trust Fund in FY 2000-01. The projected shortfall rises to \$2.8 million in FY 2001-02 and \$3.3 million in 2002-03.

There are several reasons for the shortfall. One of the most obvious is that the Commission is not selling enough hunting and fishing licenses to cover the expenses of the agency. In addition, the costs of issuing some licenses and permits exceeds the revenue derived from the sale of those licenses and permits.

Many of the license fees have not been raised since they were established -- some dating back to 1929. Others have not been changed in at least 20 years.

Over the years, the Legislature has provided for various exemptions to the state's fishing and hunting license and permitting requirements. If you add up the number of persons exempt from obtaining a hunting and fishing

license by virtue of age or disability, over 30 percent of Florida's population is exempt.

Florida appears to have the edge over other Southeastern states when it comes to fishing opportunities, both freshwater and saltwater. There are approximately 7,710 natural lakes in Florida which are 10 acres or more in size, and about 1 million acres of manmade impoundments. Finally, there are 1,711 rivers and streams with over 11,500 miles of water. This does not take into account the over 8,400 miles of coastline.

Hunting opportunities in Florida continue to decline as Florida becomes more and more urbanized. Conservation land buying programs, such as Preservation 2000 (P-2000), Conservation and Recreation Lands (CARL) and Florida Forever are helping to slow the loss of such recreational opportunities. The Commission has reported that the sale of hunting licenses in Florida declined 2.3 percent during 1998-1999.

The Commission recently surveyed 26 states including all of the Southeastern states, and California and Texas. In comparing the costs of licenses, the Commission found that Florida's license fees were less than the national average for every category, except nonresident hunting and resident trapping. However, Florida's fees do not require additional special tags or permits required for hunting big game, such as deer, elk, etc. Some states require special permits in addition to the regular license for such game.

### BACKGROUND

During the 1999 legislative session, the Legislature enacted ch. 99-353, L.O.F., relating to environmental protection. Included in that act was a provision that the hunting and fishing licenses and permits established under ch. 372, F.S., and the exemptions thereto, shall be reviewed by the Legislature during its regular session every 5 years beginning in 2000.

Many of these fees have not been changed in many years and the cost increases of agency operations can not be met from these user fees. As a consequence, increased agency operations costs have created more demand on the General Revenue Fund.

## METHODOLOGY

Staff developed a questionnaire and sent it to the Game and Fresh Water Fish Commission.<sup>1</sup> Their response was due July 10, 1999. Staff received a response to the questionnaire from the Fish and Wildlife Commission on July 2, 1999.

A list of the license fees and exemptions authorized in law was developed and a historical review was made of the changes and adjustments in these fees and exemptions.

An analysis was made of how much of the agency's operations have been dependent on the revenues from these fees, and subsidies from the General Revenue Fund.

## FINDINGS

On November 3, 1942, Florida voters approved the creation of the five-member Game and Freshwater Fish Commission. This Commission was empowered to fix bag limits; fix open/closed seasons on a statewide, regional or local basis; and regulate the manner and method of taking, transporting, stocking and otherwise using birds, game, freshwater fish, reptiles and amphibians. The Legislature reserved the right to fix license fees and penalties for violations; thereby restricting the Commission's activities by limiting revenue. Revenue from hunting and fishing licenses, enforcement of regulations, and federal matching funds are deposited into the State Game Trust Fund. This trust fund is the main fund used by the Commission for funding its operations.

On July 1, 1999, as a result of a constitutional amendment approved by Florida voters in November 1998, the Fish and Wildlife Conservation Commission was created. The Fish and Wildlife Conservation Commission now has jurisdiction over those areas formerly administered by the Game and Freshwater Fish

Commission, including statutory responsibilities assigned by ch. 372, F.S.

In 1942 when the Florida Game and Freshwater Fish Commission was created, hunting and fishing licenses were about the only source of revenue for this agency. Today, these license sales barely make up 30 percent of the agency's total revenues (including federal matching funds), while 34 percent of the agency's revenues comes from the state's General Revenue Fund.

License revenues are deposited into the State Game Trust Fund. Other funds which support the Commission's activities include the Nongame Wildlife Trust Fund, the Panther Research and Management Trust Fund, and the Land Acquisition Trust Fund. Since the mid 1980's, the Game and Freshwater Fish Commission has had to depend on significant subsidies of General Revenue to meet its operating costs. In 1985-86, the Commission had a total operations budget of \$30 million. Of that amount, 46 percent from the State General Revenue Fund. By 1989-90, the Commission's operating budget was \$51 million of which 38 percent was appropriated from the General Revenue Fund. By 1994-95, the Commission's operations budget was \$62.9 million and 31 percent came from the General Revenue Fund, and in 1998-99, 35 percent or \$26 million came from the General Revenue Fund. While the percentage of subsidies from the General Revenue Fund fluctuates, the actual dollars received continues to rise.

Over the past 9 years, the Commission has repeatedly faced shortfalls in the State Game Trust Fund. For FY 1997-98, the Commission was facing a \$3 million shortfall in its ability to fund the Commission's on-going operations. Recent information from the agency indicates that they may be facing a revenue shortfall of \$1.8 million in the State Game Trust Fund in FY 2000-01. The projected shortfall rises to \$2.8 million in FY 2001-02, and \$3.3 million in FY 2002-03.

Of the more than 85 licenses issued pursuant to ch. 372, F.S., the annual resident fishing license and the annual management area permits are the largest sources of fee revenues. In FY 1997-1998, the annual resident fishing license produced approximately \$4.8 million and the annual management area permits produced \$1.4 million. The next two largest fee producers are the nonresident annual fishing license (\$1.3 million) and the annual resident hunting license (\$1.5 million).

There are many reasons why the Commission's sales revenue has dropped. The most obvious reason is that it is not selling enough hunting and fishing licenses to

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<sup>1</sup>On July 1, 1999, the Game and Fresh Water Fish Commission ceased to exist and became part of the constitutionally created Fish and Wildlife Conservation Commission.

cover the expenses of the agency. License sales are continuing to decline while annual pay raises are placing an additional \$800,000 a year burden on the State Game Trust Fund. The cost of issuing some licenses and permits exceeds the revenue derived from the sale of those licenses and permits.

Chapter 372, F.S., provides the authorization for the various hunting and freshwater fishing licenses and permits, as well as, the exemptions that apply to such permits and licenses.

Many of the fees have not been raised since they were established -- some dating back to 1929. Seven licenses have not been increased since established in 1929.

Over the years, beginning in 1929, the Legislature has provided for various exemptions to the state's fishing and hunting license and permitting requirements. Because of the various exemptions from the license requirements, those under 16 do not need a license to hunt or fish, nor do those over 65. In 1990, 18.3 percent of Florida's population was 65 or older, a percentage that increases as the baby boomers age. When this senior citizen exemption was set in the 1950's, less than 10 percent of Florida's population was over 65.

One of the exemptions provided by the Legislature has proven to be particularly troublesome. In 1979, the Legislature chose to exempt certain disabled persons from the fee requirements for hunting and fishing in Florida. Since that time, the Commission has indicated that 92,049 free permanent licenses have been issued to disabled residents.

If you add up the number of persons exempt from hunting and fishing licenses by virtue of age or disability, over 30 percent of Florida's population is exempt.

Florida appears to have the edge over other southeastern states when it comes to fishing opportunities, both freshwater and saltwater. There are approximately 7,710 natural lakes in Florida which are 10 acres or more in size. In addition, there are about 1 million acres of manmade impoundments, such as Lake Talquin and Conservation Areas 1,2, and 3 in South Florida. Finally, there are 1,711 rivers and streams with over 11,500 miles of water. Not included in these figures are the over 8,400 miles of coastline.

Hunting opportunities in Florida continue to decline as Florida becomes more and more urbanized. Conservation land buying programs, such as P-2000, CARL, and Florida Forever may help to slow the loss of such recreational opportunities. The Fish and Wildlife Conservation Commission has reported that the sale of hunting licenses in Florida declined 2.3 percent during 1998-1999.

The Fish and Wildlife Conservation Commission staff recently surveyed 26 state including all of the Southeastern states, and California and Texas. California and Texas were particularly important because they are also prime fishing destinations like Florida. In comparing the costs of licenses, the Commission found that Florida's license fees were less than the national average for every category, except nonresident hunting and resident trapping.

## RECOMMENDATIONS

Since the mid 1980's, the Florida Game and Fresh Water Fish Commission, now the Florida Fish and Wildlife Conservation Commission, has seen a decline of revenues from hunting and fishing licenses which is used to fund and support agency activities. Increasingly, the Commission has had to depend on subsidies from General Revenue. Today, license sales barely make up 30 percent of total revenues, while 34 percent of revenues comes from General Revenue.

The number of hunting and fishing licenses sold annually, particularly hunting licenses, is declining as opportunities to hunt become more limited.

Many of Florida license fees have not been increased since they were established--some more than 20 years ago. In addition, some 30 percent of Florida residents are exempt from having to obtain a license to fish or hunt.

Over the past 9 years, the Commission has repeatedly faced shortfalls in the State Game Trust Fund. Recent information from the agency indicates that they may be facing a revenue shortfall of \$1.8 million in the State Game Trust Fund in FY 2000-01. The projected shortfall rises to \$2.8 million in FY 2001-02, and \$3.3 million in FY 2002-03.

**COMMITTEE(S) INVOLVED IN REPORT** (*Contact first committee for more information.*)

Committee on Natural Resources, 404 South Monroe Street, Tallahassee, FL 32399-1100, (850) 487-5372 SunCom 277-5372

**MEMBER OVERSIGHT**

Senators Mario Diaz-Balart and Howard Forman